

**MICHIGAN LICENSED BEVERAGE ASSOCIATION®***Retailers dedicated to the responsible sale and service of beverage alcohol*

July 1, 2005

COPY

The Honorable Tory Rocca, Chairman
House Committee on Regulatory Reform
Room N. 794 HOB
PO Box 30014
Lansing, MI 48914

Dear Chairman Rocca,

On behalf of the Michigan Licensed Beverage Association (MLBA) I would like to voice our support for Senate Bill 456 that currently resides in your committee. SB 456 was introduced by Senator Alan Sanborn.

Currently the Michigan Liquor Control Commission (MLCC) sets the minimum price at which liquor may be sold for off premise consumption. Senate Bill 456 would allow the (MLCC) to issue a rule or order to allow an SDD to sell liquor at less than the minimum retail selling price in order to dispose of inventory. The MLBA believes that this legislation would have a significant positive effect on small businesses by enabling them to dispense items that have been on their shelves for an extended period of time. As it stands now, businesses have no way of disposing their excess inventory of liquor which has already been paid for but can not be sold at a price less than what the MLCC has already established.

The MLCC has already developed language for this possible rule change with input from industry leaders and continues to have the ability to monitor and regulate the price of liquor in this state. Because of the positive impact on small businesses coupled with the continued ability held by the MLCC to enforce all rules they establish, the MLBA supports Senate Bill 456 and urges you and your committee to take action on the legislation at your convenience.

As always, thank you for your continued willingness to work with the hospitality industry. Please feel free to contact me if I can be of any further assistance.

Sincerely,

Catherine Pavick
Executive Director



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Insurance
Company

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